

SECTION B

SPECIAL CONDITIONS AND INSTRUCTIONS (*contracts under than \$40,000*)

1.0 DESCRIPTION

These specifications cover all provisions pertaining to materials, supplies and services.

2.0 COMPLETION SCHEDULE

The contractor shall agree to furnish the labor and equipment necessary to meet the specifications to the satisfaction of the Owner within the time stated in the proposal.

3.0 LIABILITY INSURANCE

The Contractor shall obtain and continue in force (for the periods hereinafter indicated) as a minimum, the following described types and limits of insurance coverage.

The Contractor shall furnish a certificate of insurance and additional insured endorsement from contractor and all subcontractors, naming Peru Utilities as additional insured thereunder (please be sure to “X” the box labeled that Peru Utilities is the additional insured thereunder. Said certificate shall show that all policies as issued contain a provision that the insurer will give the Owner ten (10) days written notice prior to the cancellation of, or material change to, any of the policies described in said certificate.

TYPE OF INSURANCE	LIMITS OF LIABILITY
1. WORKERS COMPENSATION	Statutory
(a) State	\$1,000,000 per Accident \$1,000,000 Disease, Policy Limit
(b)	\$1,000,000 Disease, Each Employee
2. COMMERCIAL GENERAL LIABILITY	
(Including Contractor’s Protective for Liability Arising from Subcontractors)	
(a) Each Occurrence	\$1,000,000
(b) General Aggregate:	\$2,000,000
(c) Completed Operations	\$2,000,000
(d) Include General Liability aggregate limit (per Project) endorsement	

(1) If insurer is unable to provide endorsement specified in 2 (b.) then Umbrella Liability Limit shown in 4. below must be increased by \$1,000,000; and insurance provider must represent that the aggregate limits shown are not impaired.

- (e) Personal and Advertising Injury \$1,000,000
- (2) Said General Liability Coverage shall be on a broad form property damage basis, and shall include coverage for explosion collapse and damage to underground facilities.

3. MOTOR VEHICLE LIABILITY:

- (a) Combined Single Limit of Liability:
 - (1) Bodily Injury and Property Damage combined \$1,000,000 each accident
- (b) Split Limits of Liability:
 - (1) Bodily Injury \$1,000,000 each accident
\$1,000,000 each accident
 - (2) Property Damage \$1,000,000 each accident

4. EXCESS UMBRELLA LIABILITY: \$1,000,000

All policies herein called for shall become effective before the Contractor undertakes any work under his/her contract and shall remain in full force and effect for a minimum of ten (10) years after completion or throughout the warranty period or the expiration of the Statute of Limitations in the State of Indiana, whichever is longer.

Whenever any of the work called for under this contract is performed by a subcontract, he shall, before commencing work on a subcontract, obtain policies of insurance in the above described forms covering the portions of the work to be done by him/her and shall deliver certificates of such insurance to the Contractor for transmittal to the Owner.

In the event that any insurer shall give notice of intention to cancel any of the policies herein called for, the Contractor shall have until 24 hours before the time of such proposed cancellation to have the notice of cancellation rescinded by the insurer or to secure and have in effect a similar policy of insurance written by another insurer. In the event that such cancellation is not rescinded or a replacement policy obtained 24 or more hours before the time set for said cancellation, then all work on this contract shall cease at the close of the day (4:00 P.M. Local Time) before the set for cancellation of the policy and the contract shall be considered breached by the Contractor as of the date and hour of the cancellation of the policy, provided, nevertheless, that the Owner shall have the right to reinstate the contract on such terms as he/she sees fit.

Any notice of rescission of cancellation or the issuance of a new policy must be in writing, signed by a person having authority to bind the insurer, and be delivered to the Owner within the time specified.

4.0 PERFORMANCE BOND

The contractor shall furnish the Owner, within ten (10) days after the Contract is awarded, a bond executed by the Contractor as principal and with such corporate surety as the Owner shall approve in the full amount of the Contract. Conditioned upon the full performance of all the work and the full payment of all charges for labor and material or other charges or services rendered on, for, or in connection with the work and as required by the statutes of the State of Indiana and guaranteeing performance of the Contract in accordance with its terms.

The bond shall be executed by a surety company authorized to do business within the State.

All insurance and performance bonds to be obtained by this Contractor under these specifications shall be obtained through a local agency, except in such cases where this Contractor is covered by an existing blanket policy.

In evaluating the best bid for the Owner, the following items will be considered:

- **Price quoted in the proposal**
- **Completion Date**
- **Qualification of Bidder**
- **Financial responsibility of the Bidder**
- **Peru Utilities Contractor Safety Program**
- **Approved Pre-Qualifications Checklist**

5.0 TERMS OF PAYMENT

No certificate issued, nor payments made, to the Contractor, nor partial or entire use or occupancy of the work by the Owner will be an acceptance of any work or materials not in accordance with this Contract or a release from the Contractor's obligation under this contract.

6.0 PAYMENT WITHHELD

The Owner may withhold, or on account of subsequently discovered evidence, nullify, the whole or any part of any certificate to such extent as may be necessary to protect the Owner from loss on account of:

7.0 COOPERATION WITH OTHERS/COMPLIANCE WITH COMPANY SAFETY REGULATIONS:

The Contractor shall cooperate with all other Contractors and the Owner's forces. He/she shall plan his/her work so that it does not delay, or interfere with, the work of other Contractors. After the work has been completed, the Contractor shall aid the Owner and other contractors in placing in operation all equipment installed under these specifications.

The Contractor shall cooperate and coordinate his/her work with the Owner to facilitate the installation.

The Contractor shall adhere to all federal, state and local health and safety regulations including Peru Utilities safety and environmental policies and procedures at all times that work is being performed on the property of Peru Utilities. Failure to do so will result in suspension of work until the necessary compliance is achieved. **Additional time for completion of the project will not be granted due to enforcement of this provision.**

8.0 COMPLIANCE WITH PERU UTILITIES' CONTRACTOR SAFETY PROGRAM REQUIRED:

The Contractor shall be in compliance with the Peru Utilities Contractor Safety Program at the time of bid submission. Non-compliance shall be grounds for bid rejection.

Bidders are encouraged to thoroughly examine the copy of the Peru Utilities Contractor Safety Program included in the bid documents. Bidders may contact Peru Utilities Administrative Assistant Brenda Tillett regarding questions about the Contractor Safety Program.

9.0 CLEANING UP

The Contractor shall at all times prevent the accumulation on the Owner's premises of debris caused by the work and upon its completion shall remove from the site all such debris, and also his/her tools not provided by Owner, and shall leave the work area in good order and condition. In case of dispute, the Owner may remove the debris and charge the cost to the Contractors concerned, in proportions determined by the Owner.

10.0 LITIGATION

The Bidder, if a non-resident of Miami County, Indiana agrees that in the event any litigation should arise involving the Owner and the Bidder, the Bidder will consent to have such litigation commence and tried in Miami County, Indiana.

11.0 DAMAGE REPAIR

The Contractor shall be responsible for all damage to any existing City, State, or private property by reason of his operation, or those of his/her subcontractors. He/she shall repair all damage, doing so before requesting final approval on the job.

12.0 FINANCIAL STATEMENT

The Contractor shall complete the section of Form 96 pertaining to financial disclosure.

13.0 SALES, USE AND OTHER TAXES

This Contract for these plans and specifications is sales tax exempt.

14.0 IDEMNIFICATION

Work performed by the Contractor or Subcontractors shall be at the exclusive risk of the Contractor or Subcontractor and, to the fullest extent permitted by law, the Contractor or Subcontractor shall indemnify, defend and hold harmless Peru Utilities, its agents, employees and assigns from any and all claims for bodily injury, death, damage to property and any other liabilities and costs, which arise from the work performed, materials furnished or services provided under this contract. These indemnity and defense obligations shall apply to any acts or omissions, negligent or willful misconduct of the Contractor or Subcontractor and its employees or agents. Said indemnity and defense obligations shall apply whether or not said claims arise out of the concurrent act, omission or negligence of Peru Utilities, its agents, employees or assigns. Contractor and subcontractor shall not be obligated to indemnify and defend Peru Utilities for claims found to be due to the sole negligence or willful misconduct of Peru Utilities, its agents, employees or assigns. Indemnification and defense obligations shall also extend to claims occurring after this Agreement is terminated and shall continue until it is finally adjudicated that any and all actions against Peru Utilities, its agents, employees and assigns are full and finally barred by applicable laws.